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June 14, 2013

Via Electronic Filing

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20554

Re: In the Matter of Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions, GN Docket No. 12-268. Promoting Interoperability in the 700 MHz Commercial Spectrum, WT Docket No.12-69

Dear Ms. Dortch:

We respectfully submit this attached letter sent by Vincent D. McBride, the managing member of McBride Spectrum Partners, to acting Chairperson Clyburn on June 14, 2013.

The letter urges acting Chairperson Clyburn to take this opportunity to restore interoperability across the entire 700 MHz spectrum band during her time as acting Chairperson of the Commission.

Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being sent via EFS.

Respectfully submitted

Vincent D. McBride

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Attachment : Letter



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The Honorable Mignon Clyburn,
Acting Chairperson
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Dear Chairperson Mignon Clyburn:

Congratulations on your appointment as acting Chairperson of the Federal Communications Commission. I sincerely appreciate the time you have invested as a Commissioner over the recent years. I believe that when you said, *“your job is to build on forward momentum, give the next teammate a running start, an improved position, and no matter what, my goal is not to drop the baton,”* that you truly understand the problems that small business face in the wireless industry.

My name is Vincent McBride I am the managing member of McBride Spectrum Partners. We purchased the Pittsburgh A Block licenses in the 2008 spectrum auction. The license covers the Greater Metropolitan Pittsburgh area and northern West Virginia. Pittsburgh Mobile is the service name for the company we are planning to build.

As a Mailman for the U.S. Postal Service, I became involved in the wireless business as a member of a partnership that filed applications for cellular phone licenses in the FCC lotteries in 1989. The partnership prepared and filed multiple applications for the FCC lotteries but was unsuccessful in winning any licenses.

I then entered the very first FCC spectrum auctions in 1995 called the “Entrepreneurs C Block Auction.” I was excited to win a small license for Williston, North Dakota, even though there were more buffalos than people living in the Williston market area. Soon after, this experience turned into worry and despair when the biggest winners in the auction; companies like NexWave and Pocket Communications failed to make their interest payments on time and then filed for bankruptcy. I then had no choice but to return my license back to the FCC, losing both my deposit and all of my interest payments.

Nevertheless, I have learned early on in life as a fisherman off the east coast of Brooklyn the

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value of patience and never giving up. I was determined to win a license and build a cellular phone company. I was eventually successful in winning licenses in FCC auction number 22, 35, 47, 49 and 73. Pittsburgh Mobile now controls the A Block license for the Pittsburgh area market, which is large enough to build the company that I have envisioned 22 years ago.



The one barrier that is now standing in my way is, “**Interoperability!**” You don’t have to be a dropout from Wharton Business School to know that it makes no sense to build a mobile network without the ability to offer your customers national roaming. Developing a sound business case without interoperability is almost impossible. Today’s customers demand a choice of the latest in mobile phones and devices. Our customers would be limited to making only local telephone calls. The lack of interoperability is preventing the A Block licensees from enjoying the benefits of a healthy LTE network ecosystem. Small businesses are being squeezed by the economies of scale into a position of great disadvantage. The lack of interoperability in the 700 MHz band is an absolute **barrier to entry** for small businesses.

History illustrates the dangers of allowing one or two companies to achieve a dominant position in the telecommunications industry. Two companies are now controlling the entire 700 MHz ecosystem and are being allowed to dictate band specific network equipment and devices. The network equipment and devices are not interoperable with the A Block band 12 licenses that are in the same 700 MHz spectrum band. It should be very clear to everyone that interoperability in the 700 MHz spectrum band was created and deliberately designed to circumvent the FCC data roaming mandate and to lock out the competition from offering nationwide roaming. This kind of anti-competitive behavior is a death sentence and will crush the competition, making it impossible for any small wireless company to survive. AT&T, the former telephone monopoly was dismantled by an antitrust lawsuit filed by the U.S. Justice Department in 1984. AT&T is now trying to put “Humpty Dumpty” back together again by denying interoperability in the 700 MHz band. Following the auction in 2008 AT&T influenced the 3GPP standards board to rubber stamp its plan and carve-up the original band 12 into separate bands. This premeditated and nefarious plan is extremely “anti-consumer” oriented and was designed to usurp our valuable A Block licenses and convert them into AT&T’s own private guard band on the back of small business.

Verizon is also culpable in this “anti-competitive” scheme. Verizon purchased 25 of the largest metropolitan A Block licences spending \$2.6 billion of the \$3.9 billion spent on A Block



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licenses in the FCC 700 MHz spectrum auction. Verizon has promised to sell these A Block licenses in preparation to buy the AWS licenses owned by the cable companies. So far Verizon has traded only one A Block license to Leap Wireless. Verizon has purchased \$2 billion in B Block licenses which Verizon was then allowed to sell to AT&T. AT&T spent \$6.6 billion purchasing only B Block licenses in the auction. AT&T and Verizon represented 85% of the total \$ 19 billion in gross auction bids. Verizon has now decided to jump ship and abandoned the rest of the A Block licensees to drown without the life raft of interoperability. This boatload of uncertainties is quickly sinking the A Block “ship” upon which Verizon was the captain AT&T and Verizon together have revenues of \$250 billion and combined assets of half a trillion dollars. Competing with this oligopoly is like being trapped in the web of a two headed serpent.

The FCC Commission has an obligation as regulators of the industry to enforce policies that follow the telecommunications act. The Commission now has an opportunity to restore market balance and to foster real competition by adopting an interoperability mandate across the entire 700 MHz spectrum band. The mandate will protect the consumer's right to choose between different mobile service providers and free small businesses from the shackles of AT&T. AT&T has stonewalled all attempts to restore interoperability in the 700 MHz band for the last three years. Instead of moving the wireless industry forward in time and keeping pace with the rest of the world AT&T has been allowed to move the entire U.S. wireless industry backwards 20 years in time. The commission must protect small businesses and the American consumers from the massive harms of such abusive behavior. The American consumers depend upon competition and interoperability is the key that unlocks the door to true competition. The sooner the commission restores interoperability in the 700 MHz band the better off, both small carriers and the American consumer will be.

Respectfully,
Vincent D. McBride
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